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HOUSE BILL 2169

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State of Washington                      62nd Legislature                      2011 2nd Special Session

By Representatives Hasegawa, Kenney, and Ormsby

Read first time 12/12/11. Referred to Committee on Ways & Means.

1            AN ACT Relating to modifying the uniform unclaimed property act;  
2 amending RCW 63.29.220 and 63.29.240; and declaring an emergency.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 63.29.220 and 2005 c 367 s 4 are each amended to read  
5 as follows:

6            (1) Except as otherwise provided in (~~subsections (2) and (3) of~~)  
7 this section, the department, within five years after the receipt of  
8 abandoned property, (~~shall~~) must sell it to the highest bidder at  
9 public sale in whatever city in the state affords in the judgment of  
10 the department the most favorable market for the property involved.  
11 The department may decline the highest bid and reoffer the property for  
12 sale if, in the judgment of the department, the bid is insufficient.  
13 If, in the judgment of the department, the probable cost of sale  
14 exceeds the value of the property, it need not be offered for sale.  
15 Any sale held under this (~~section~~) subsection must be preceded by a  
16 single publication of notice, at least three weeks in advance of sale,  
17 in a newspaper of general circulation in the county in which the  
18 property is to be sold.

1        (2)(a) Except as otherwise provided in this subsection (2)(a), the  
2 department must sell all securities delivered to the department as  
3 required by this chapter as soon as practicable, in the judgment of the  
4 department, after receipt by the department. However, this subsection  
5 does not apply with respect to any securities that, in the judgment of  
6 the department, cannot be sold, are worthless, or are not cost-  
7 effective to sell.

8        (b) Securities listed on an established stock exchange must be sold  
9 at prices prevailing at the time of sale on the exchange. Other  
10 securities may be sold over the counter at prices prevailing at the  
11 time of sale or by any other method the department considers advisable.  
12 All securities may be sold over the counter at prices prevailing at the  
13 time of the sale, or by any other method the department deems  
14 advisable.

15        ~~((3) Unless the department considers it to be in the best interest~~  
16 ~~of the state to do otherwise, all securities, other than those presumed~~  
17 ~~abandoned under RCW 63.29.100, delivered to the department must be held~~  
18 ~~for at least one year before being sold.~~

19        ~~(4) Unless the department considers it to be in the best interest~~  
20 ~~of the state to do otherwise, all securities presumed abandoned under~~  
21 ~~RCW 63.29.100 and delivered to the department must be held for at least~~  
22 ~~three years before being sold. If the department sells any securities~~  
23 ~~delivered pursuant to RCW 63.29.100 before the expiration of the three-~~  
24 ~~year period, any person making a claim pursuant to this chapter before~~  
25 ~~the end of the three year period is entitled to either the proceeds of~~  
26 ~~the sale of the securities or the market value of the securities at the~~  
27 ~~time the claim is made, whichever amount is greater, less any deduction~~  
28 ~~for fees pursuant to RCW 63.29.230(2).))~~

29        (c)(i) Except as otherwise provided in this subsection (2)(c), a  
30 person making a claim under this chapter ((after the expiration of this  
31 period is)) with respect to securities is only entitled to receive  
32 ((either the securities delivered to the department by the holder, if  
33 they still remain in the hands of the department, or)) the proceeds  
34 received from sale, less any amounts deducted pursuant to RCW  
35 63.29.230(2)((, but)), even if the sale of the securities has not been  
36 completed at the time the department receives the claim. However, if  
37 the department receives a claim for securities and the department has  
38 not ordered those securities to be sold as of the time the claim is

1 received by the department, the claimant is entitled to receive either  
2 the securities delivered to the department by the holder, or the  
3 proceeds received from the sale, less any amounts deducted pursuant to  
4 RCW 63.29.230(2).

5 (ii) With respect to securities that, in the judgment of the  
6 department, cannot be sold or are not cost-effective to sell and that  
7 remain in the possession of the department, a person making a claim  
8 under this chapter is only entitled to receive the securities delivered  
9 to the department by the holder.

10 (d) No person has any claim under this chapter against the state,  
11 the holder, any transfer agent, registrar, or other person acting for  
12 or on behalf of a holder for or on account of any appreciation or  
13 depreciation in the value of the property occurring after delivery by  
14 the holder to the department.

15 ~~((+5))~~ (3) The purchaser of property at any sale conducted by the  
16 department pursuant to this chapter takes the property free of all  
17 claims of the owner or previous holder thereof and of all persons  
18 claiming through or under them. The department ~~((shall))~~ must execute  
19 all documents necessary to complete the transfer of ownership.

20 **Sec. 2.** RCW 63.29.240 and 1983 c 179 s 24 are each amended to read  
21 as follows:

22 (1) A person, excluding another state, claiming an interest in any  
23 property paid or delivered to the department may file with it a claim  
24 on a form prescribed by it and verified by the claimant.

25 (2) The department ~~((shall))~~ must consider each claim within ninety  
26 days after it is filed and give written notice to the claimant if the  
27 claim is denied in whole or in part. The notice may be given by  
28 mailing it to the last address, if any, stated in the claim as the  
29 address to which notices are to be sent. If no address for notices is  
30 stated in the claim, the notice may be mailed to the last address, if  
31 any, of the claimant as stated in the claim. No notice of denial need  
32 be given if the claim fails to state either the last address to which  
33 notices are to be sent or the address of the claimant.

34 (3)(a) If a claim is allowed, the department ~~((shall))~~ must pay  
35 over or deliver to the claimant the property or the amount the  
36 department actually received or the net proceeds if it has been sold by  
37 the department, together with any additional amount required by RCW

1 63.29.210. (~~(If the claim is for property presumed abandoned under RCW~~  
2 ~~63.29.100 which was sold by the department within three years after the~~  
3 ~~date of delivery, the amount payable for that claim is the value of the~~  
4 ~~property at the time the claim was made or the net proceeds of sale,~~  
5 ~~whichever is greater.)) Nothing in this subsection (3)(a) may be  
6 construed to modify RCW 63.29.220(2)(c).~~

7 (b) If the property claimed was interest-bearing to the owner on  
8 the date of surrender by the holder, the department also (~~shall~~) must  
9 pay interest at the legal rate or any lesser rate the property earned  
10 while in the possession of the holder. Interest begins to accrue when  
11 the property is delivered to the department and ceases on the earlier  
12 of the expiration of ten years after delivery or the date on which  
13 payment is made to the owner. No interest on interest-bearing property  
14 is payable for any period before June 30, 1983.

15 (4) Any holder who pays the owner for property that has been  
16 delivered to the state and which, if claimed from the department, would  
17 be subject to subsection (3) of this section (~~shall~~) must add  
18 interest as provided in subsection (3) of this section. The added  
19 interest must be repaid to the holder by the department in the same  
20 manner as the principal.

21 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
22 preservation of the public peace, health, or safety, or support of the  
23 state government and its existing public institutions, and takes effect  
24 immediately.

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